

### Proposed 2007 Session Legislation

Agency Name:  Agency No:

Priority Number:  Filename:

Short Title:

Agency Contact Person/Phone:

**1. Purpose:**  
 The proposed legislation will afford greater protection to Montana consumers. The legislation will amend numerous provisions of the Montana Consumer Loan Act, Section 32-5-101, MCA et.seq. The amendments will: (1) clarify enforcement processes available to the department for violation of the act; (2) provide authority to investigate violations and recover enforcement costs; (3) provide authority to issue cease and desist orders and levy civil money penalties; and (4) provide due process to licensees through MAPA. The amendments will authorize the division to examine the lenders at the department's discretion. The bill will be a complete rewrite of the existing act.

**2. Background:**  
 The Montana Consumer Loan Act was originally enacted in 1959 and is not current with industry standards. Sections of the act contain language that is contradictory and confusing.

**3. Fiscal Impact by Fund Type:** *This impact should be as specific as possible.*  
 Civil money penalties will be deposited into the general fund. Licensing fees will be increased to cover the costs of operating the program.

**4. Summary Checklist [Check & complete all that apply]--**

Housekeeping Only   
  Federal Requirement   
  Audit Recommendation (Audit No.)   
  Major Legislation  
 Anticipated to be Controversial Legislation   
  Bill Draft has been included in Legislation Submittal (if available)  
 Supports Submitted EPP Item Number:   
  Local Government Fiscal Impact  
 Increases FTE, or   
 Decreases FTE by

**List FTE amount and program**

Increases Existing Revenue   
 Tax   
 Fee   
 Penalty [amount in #3]  
 Decreases Existing Revenue   
 Tax   
 Fee   
 Penalty [amount in #3]  
 Establishes New Revenue   
 Tax   
 Fee   
 Penalty [amount in #3]

Leg. has been Submitted in Previous Legislative Sessions (list priority no, LC no, or bill no):

Legislation would affect other state agencies (list):

Special Interest Groups Affected (list):  
 Montana Consumer Finance Association

Other: